

## Vehicle License Fee Increase

**Issue Date: March 2, 2009**

### **New Legislation**

New legislation authorizes the Department of Motor Vehicles to increase the Vehicle License Fee (VLF) from 0.65 percent to 1.15 percent, when registration fees are due on or after May 19, 2009 for:

- Automobiles
- Commercial vehicles with a declared gross operating weight under 10,001 pounds
- Motorcycles
- Trailer coaches

### **Implementation**

Effective March 19, 2009, programming will be in place to generate the increased VLF for vehicle renewals and vehicles removed from planned non operational (PNO) status with an expiration date **on or after May 19, 2009**. The system will also generate the increased VLF for original applications with a date fee due **on or after May 19, 2009**.

General Questions and Answers (Q & As) to assist in responding to a customer's inquiries or concerns will be available on line at **[www.dmv.ca.gov](http://www.dmv.ca.gov)**.

### **Exempt Vehicles**

Commercial vehicles with a declared gross vehicle weight rating or a combined gross vehicle weight of 10,001 pounds or more (Commercial Vehicle Registration Act [CVRA]) are exempt from the increase. The VLF for CVRA vehicles will remain at 0.65%.

<b>Note:</b> Vehicles currently exempt from VLF collection continue to be exempt.
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### **Online Vehicle Registration Fee Calculator**

Effective March 19, 2009, the Vehicle Registration Fee Calculator will automatically calculate the appropriate VLF for vehicles with a due date on or after May 19, 2009. Customers can determine registration renewal fees up to **60 days** prior to the vehicle registration expiration date.

## **Background**

The VLF increase is part of the budget plan designed to reduce California's \$42 billion deficit. The 0.50 percent increase will be allocated to the General Fund and the Local Safety and Protection Account in the Transportation Tax Fund. The VLF increase will be in place until June 30, 2011, but may be extended through June 30, 2013.

## **Reference**

*California Vehicle Code §§10752, 10752.1, 10752.2, 10753, 10753.2, 10753.3*

## **Distribution**

Notification that this memo is available online at **[www.dmv.ca.gov](http://www.dmv.ca.gov)** under Publications was made via e-mail alert in March 2009.

## **Contact**

Call the DMV Customer Communications Section, at (916) 657-6560 for further clarification of this memo. Upon request, this document can be produced in Braille or large print.

A handwritten signature in blue ink, appearing to read "J Shiimoto". The signature is stylized with a large loop at the beginning and a cursive script for the rest of the name.

JEAN SHIOMOTO, Deputy Director  
Communication Programs Division